

*United States Court of Appeals
for the Second Circuit*



APPELLEE'S BRIEF

74-1976

In The
UNITED STATES COURT OF APPEALS
FOR THE SECOND CIRCUIT

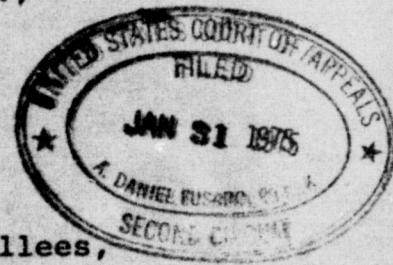
SIMON & FLYNN, INC.,

Plaintiff-Appellant,

-against-

TIME INCORPORATED, TIME INCORPORATED BOOK CLUBS,
NEW YORK GRAPHIC SOCIETY, LTD., WALLYNN, INC.,
SPORTS ILLUSTRATED BOOK CLUB, COMMITMENT
PRODUCTIONS INC. OF NEW JERSEY, COMMITMENT
PRODUCTIONS, INC., AMERICAN EXPRESS, CHARLES
SCRIBNER'S SONS, DOUBLEDAY & COMPANY, INC.,
GEORGE L. FLYNN, JAMES J. WALSH, "JOHN DOE"
and "RICHARD ROE",

Defendant-Appellees,



On Appeal from the United States District Court
For the Southern District of New York

BRIEF FOR DEFENDANT-APPELLEES TIME INCORPORATED,
TIME INCORPORATED BOOK CLUBS,
NEW YORK GRAPHIC SOCIETY, LTD.,
AND CHARLES SCRIBNER'S SONS

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In The
UNITED STATES COURT OF APPEALS
FOR THE SECOND CIRCUIT

Docket No. 74-1976

SIMON & FLYNN, INC.,

Plaintiff-Appellant,

-against-

TIME INCORPORATED, TIME INCORPORATED BOOK CLUBS,
NEW YORK GRAPHIC SOCIETY, LTD., WALLYNN, INC.,
SPORTS ILLUSTRATED BOOK CLUB, COMMITMENT
PRODUCTIONS INC. OF NEW JERSEY, COMMITMENT
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SCRIBNER'S SONS, DOUBLEDAY & COMPANY, INC.,
GEORGE L. FLYNN, JAMES J. WALSH, "JOHN DOE"
and "RICHARD ROE",

Defendant-Appellees,

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BRIEF FOR DEFENDANT-APPELLEES TIME INCORPORATED,
TIME INCORPORATED BOOK CLUBS,
NEW YORK GRAPHIC SOCIETY, LTD.,
AND CHARLES SCRIBNER'S SONS

PRELIMINARY STATEMENT

In this action for alleged copyright infringement
and unfair competition, plaintiff appeals from the decision

and order of the District Court (Metzner, J.) dismissing the action for lack of subject matter jurisdiction.

Questions Presented

1. Did the District Court properly conclude that the complaint failed to allege infringement of a statutory copyright thereby mandating dismissal for lack of subject matter jurisdiction?
2. Did the District Court abuse its discretion by not granting plaintiff leave to replead?

Statement of the Case

Plaintiff brought this action for alleged copyright infringement and unfair competition. The complaint, filed on January 23, 1974, alleged that the court had jurisdiction pursuant to 28 U.S.C. § 1338(a) "because it is an action for copyright infringement under 17 U.S.C. Section 101" (Complaint, para. 1 at A6). It also alleged diversity jurisdiction under 28 U.S.C. § 1332 but since complete diversity is not present plaintiff has abandoned that ground.

Defendants Time Incorporated, Time Incorporated Book Clubs, New York Graphic Society, Ltd., and Charles Scribner's Sons moved, on May 7, 1974, to dismiss the action on the ground of lack of subject matter jurisdiction. Subsequently,

six of the other defendants joined in this motion. On June 10, 1974, Judge Metzner granted the motion to dismiss as to all defendants holding that "there is no basis of subject matter jurisdiction over this action" (A65). Plaintiff's motion for reargument was denied on August 1, 1974.

Plaintiff having failed timely to file its notice of appeal moved for an order extending its time to appeal, nunc pro tunc. The District Court granted such motion on September 27, 1974.

Facts

The complaint is far from a model pleading. For example, plaintiff alleges publication of a television film entitled "A Man Named Lombardi" (Complaint, para. 16 at A8), but then alleges copyright registration of a book (para. 17 at A8); there is mention of a Schedule B (para. 20 at A9), but no such schedule is annexed; and several allegations are unintelligible (i.e., paras. 19, 47 at A9, A14). However, sufficient appears to demonstrate that the District Court's dismissal was correct.

Plaintiff claims a statutory copyright in a work entitled "A Man Named Lombardi" (paras. 16-18 at A8-A9), and proprietary rights, without statutory copyright, in a separate film series entitled "Vince Lombardi's-The Science and Art of

Football" ("the film series") (paras. 19-23 at A9-A10). The complaint then alleges publication and distribution by the defendants of a book entitled "Vince Lombardi on Football" (para. 24 at A10). Additionally, the film series and the book "Vince Lombardi on Football" are incorporated by reference as part of the complaint (paras. 45, 46 at A13-A14). The work "A Man Named Lombardi" is not so incorporated.

The complaint sets forth three theories of recovery:

- (1) infringement of plaintiff's copyright (para. 39 at A13);
- (2) infringement of plaintiff's common law rights of proprietorship and ownership (para. 40 at A13); and
- (3) unfair competition (para. 41 at A13).

No claim is made that the book "Vince Lombardi on Football" infringes the work "A Man Named Lombardi", only that it infringes the film series.

Argument

I.

THE DISTRICT COURT CORRECTLY HELD THAT IT LACKED JURISDICTION UNDER 28 U.S.C. § 1338(a) BECAUSE THE COMPLAINT DID NOT STATE A CLAIM FOR COPYRIGHT INFRINGEMENT.

Plaintiff alleged that federal jurisdiction was conferred on the District Court by 28 U.S.C. § 1338(a). That section provides:

"The district courts shall have original jurisdiction of any civil action arising under any Act of Congress relating to patents, plant variety protection, copyrights and trade-marks. Such jurisdiction shall be exclusive of the courts of the states in patent, plant variety protection and copyright cases."

This section confers original and exclusive jurisdiction on federal courts in cases arising under the copyright laws of the United States. See United States v. American Bell Telephone Co., 159 U.S. 548 (1895); T. B. Harms Co. v. Eliscu, 339 F.2d 823 (2d Cir. 1964), cert. denied, 381 U.S. 915 (1965); Hearst Corp. v. Shopping Center Network, Inc., 307 F. Supp. 551, 555 (S.D.N.Y. 1969). Mere reference to the section is not sufficient since a plaintiff invoking the jurisdiction of the federal courts is required to allege affirmatively in his complaint facts showing that such jurisdiction exists. Gully v. First National Bank, 299 U.S. 109, 113 (1936); Louisville & Nashville Railroad v. Mottley, 211 U.S. 149, 152 (1908); Cresci v. Music Publishers Holding Corp.,

210 F. Supp. 253 (S.D.N.Y. 1962).

The issue is a simple one. For this action to arise under the copyright laws of the United States, the complaint must demonstrate that plaintiff is in possession of a statutory copyright. Hearst Corporation, supra at 556.

Section 13 of the Copyright Act (17 U.S.C. § 13) provides in part:

"No action or proceeding shall be maintained for infringement of copyright in any work until the provisions of this title with respect to the deposit of copies and registration of such work shall have been complied with."

Section 11 of the statute (17 U.S.C. § 11) provides that registration of a claim to copyright may be obtained "by complying with the provisions of this title, including the deposit of copies."

The registration and deposit of copies of the allegedly infringed work are conditions precedent to the maintaining of an action for copyright infringement under Title 17. Hearst Corp., supra at 557.

Plaintiff fails to show that it obtained registration in the Copyright Office of the film series "Vince Lombardi's-The Science and Art of Football" (para. 22 at A9-A10). No registration certificate is annexed to the complaint and no allegations are made of compliance with the provisions of Title 17.

It has been established in this Circuit that such a failure to register the work with the Copyright Office precludes the maintenance of an action for copyright infringement in the federal courts. See Vacheron & Constantin-Le Coultre Watches, Inc. v. Benrus Watch Co., 260 F.2d 637 (2d Cir. 1958); New York Times Co. v. Sun Printing & Publishing Ass'n, 204 F. 586 (2d Cir. 1913), cert. denied, 234 U.S. 758 (1914); G.P. Putnam's Sons v. Lancer Books, Inc., 251 F. Supp. 210 (S.D.N.Y. 1966).*

The fact that a statutory copyright in a work is involved in the action, here the work entitled "A Man Named Lombardi", does not confer such jurisdiction if infringement of that particular work is not alleged. See Wells v. Universal Pictures Co., 166 F.2d 690, 691 & n.2 (2d Cir. 1948), and cases cited therein. Similarly the mere possibility that during the future course of this litigation some question under the Copyright Act may incidentally arise does not confer jurisdiction upon the federal courts. Cresci, supra at 260.

Since plaintiff does not allege publication of the film series "Vince Lombardi's-The Science and Art of Football" it may have claim for common law copyright infringement. However this Court could have jurisdiction of such a claim only

* This is so even if plaintiff has published his work and attempted to register it with the Copyright Office but was refused registration. See Vacheron, supra at 640-41.

if plaintiff can show registration and deposit of the unpublished work under Section 12 of the Copyright Act (17 U.S.C. § 12). No such allegation appears in the complaint. Therefore, plaintiff's common law rights are limited to those reserved by Section 2 of the Act (17 U.S.C. § 2):

"Nothing in this title shall be construed to annul or limit the right of the author or proprietor of an unpublished work, at common law or in equity, to prevent the copying, publication, or use of such unpublished work without his consent, and to obtain damages therefore."

Thus, plaintiff's claim for copyright infringement can be one only for common law and not statutory, copyright. It is clearly established that federal copyright jurisdiction under 28 U.S.C. § 1338(a) does not extend to actions for infringement of common law copyright. See Wells, supra; Hearst Corp., supra at 557; Muse v. Mellin, 212 F. Supp. 315, 316 (S.D.N.Y. 1962), aff'd per curiam, 339 F.2d 888 (2d Cir. 1964); 2 M. Nimmer, The Law of Copyright § 131.12 (1974).

In its brief, appellant makes three contentions which it claims supports jurisdiction under 28 U.S.C. § 1338. Each is frivolous and may be dealt with quickly.

Plaintiff argues that jurisdiction under 28 U.S.C. § 1338 is available because "Vince Lombardi's-The Art and Science of Football" is a derivative of "A Man Named Lombardi" the latter of which is copyrighted:

"As 'Vince Lombardi's-The Science and Art of Football' was alleged to be a derivative work from 'A Man Named Lombardi' which held the aforementioned copyright (para. 17th, p. 8), the allegation as to identity of the works made out a *prima facie* case of infringement of the copyrighted work, by 'Vince Lombardi on Football'." (Br. p. 6)

This argument is manufactured out of whole cloth and finds no support in the case law and commentary. Explaining who is entitled to sue for infringement of a derivative work, Nimmer states:

"Of course if the derivative work is itself unpublished and uncopyrighted an action for statutory copyright infringement will not lie for copying the new or original matter contained in the derivative work. This is true even if the underlying work is protected by statutory copyright." I M. Nimmer, The Law of Copyright § 42 (1974)

Characterizing "Vince Lombardi's-The Art and Science of Football" as a derivative of "A Man Named Lombardi" is of no help to plaintiff. Regardless whether it is in fact a derivative it is not alleged to have been copyrighted and, therefore, there is no subject matter jurisdiction.

Plaintiff's second point is equally without basis. First, it suggests that "Vince Lombardi's-The Art and Science of Football" may have been copyrighted but it is not certain since defendant Flynn was in charge of securing the copyright and may or may not have done so. Plaintiff argues that it is entitled to depose Flynn to find out whether or not "Vince Lombardi's-The Science and Art of Football" is copyrighted.

This suggestion not only admits that it could not in good faith plead a cause of action for statutory copyright, but also ignores the simple route to solving its dilemma--making a file search of the Copyright Office to determine if "Vince Lombardi's-The Art and Science of Football" is copyrighted.

The second prong of this argument purports to be based on the "savings clause" of the Copyright Law, 17 U.S.C. § 21. The argument is that the "savings clause" provides an action "even where the copyright is not issued because of omission by 'accident or mistake'" (Br. p. 8), and since the copyright here may not have been issued because of Flynn's omission or mistake the action is proper. Of course the savings clause does no such thing. That section provides in pertinent part:

"Where the copyright proprietor has sought to comply with the provisions of this title with respect to notice, the omission by accident or mistake of the prescribed notice from a particular copy or copies shall not invalidate the copyright or prevent recovery for infringement against any person who, after actual notice of the copyright, begins an undertaking to infringe it, but shall prevent the recovery of damages against an innocent infringer who has been misled by the omission of the notice."

As Nimmer (supra § 90) states, the purpose of this section is "to mitigate the sometimes harsh rule that publication without proper notice will put the work into the public domain." See also Kramer Jewelry Creations, Inc. v. Capri Jewelry, Inc., 143 F. Supp. 120 (S.D.N.Y. 1956).

Lastly, plaintiff claims that jurisdiction is proper because it is the equitable owner of "Vince Lombardi on Football", the alleged infringing work. Were this an action claiming that "Vince Lombardi on Football" was being infringed by some other work (rather than vice versa) the question of equitable ownership might have some relevance. Of course, it is not. The obvious distinction is explained in Harrington v. Mure, 186 F. Supp. 655 (S.D.N.Y. 1960), cited by plaintiff in which the court granted a motion to dismiss for lack of subject matter jurisdiction.

In Mure, the plaintiff claimed equitable ownership of a musical composition and sought an assignment of an interest in the statutory copyright and an accounting. He did not allege that the work in which he claimed equitable ownership had been infringed. The court noted that "plaintiff has referred to a line of decisions recognizing the standing of an equitable owner of a copyright to sue for infringement." Id. at 656. It then held (Id. at 657):

"The fundamental and obvious distinction between the cases upon which plaintiff relies and the situation presented here is that [the plaintiff] does not state a claim for infringement. Absent a basis for a claim of infringement, a case presenting a claim of equitable ownership . . . does not 'arise under the Copyright Law.'"

Here plaintiff claims that the film series was infringed by the book "Vince Lombardi On Football". Asserting that it is

the equitable owner of "Vince Lombardi On Football" is of no aid in establishing federal jurisdiction.

The foregoing leads only to the conclusion that there is no subject matter jurisdiction to adjudicate any of the copyright claims alleged, and therefore the District Court was correct in dismissing those causes of action.

The complaint also includes a claim for unfair competition (para. 41 at A13). The District Court dismissed this claim, declining to exercise pendent jurisdiction. There can be no question that this was not an abuse of discretion since the rule is clear that if the copyright claim is dismissed prior to trial, the pendent claims must also be dismissed.

G.P. Putnam's Sons v. Lancer Books, Inc., 251 F. Supp. 210 (S.D.N.Y. 1966); see Kavit v. A. L. Stamm & Co., 491 F.2d 1176 (2d Cir. 1974).

II.

FAILURE TO PERMIT PLAINTIFF TO REPLEAD WAS NOT AN ABUSE OF DISCRETION.

The simple and complete answer to plaintiff's argument that it should have been given leave to amend is that the defect was fatal. The Supreme Court recognized in Foman v. Davis, 371 U.S. 178, 182 (1962), the leading case for the proposition that the Federal Rules require liberality in permitting parties to amend pleadings, that there is no need to grant leave to amend where the amendment would be futile. This is such a case. Clearly, therefore, the refusal of the District Court to permit plaintiff to replead was not an abuse of discretion.

Conclusion

The decision of the District Court being correct, the judgment appealed from should be affirmed with costs.

January 31, 1975

Respectfully submitted,

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